COMMANDERS DIGEST

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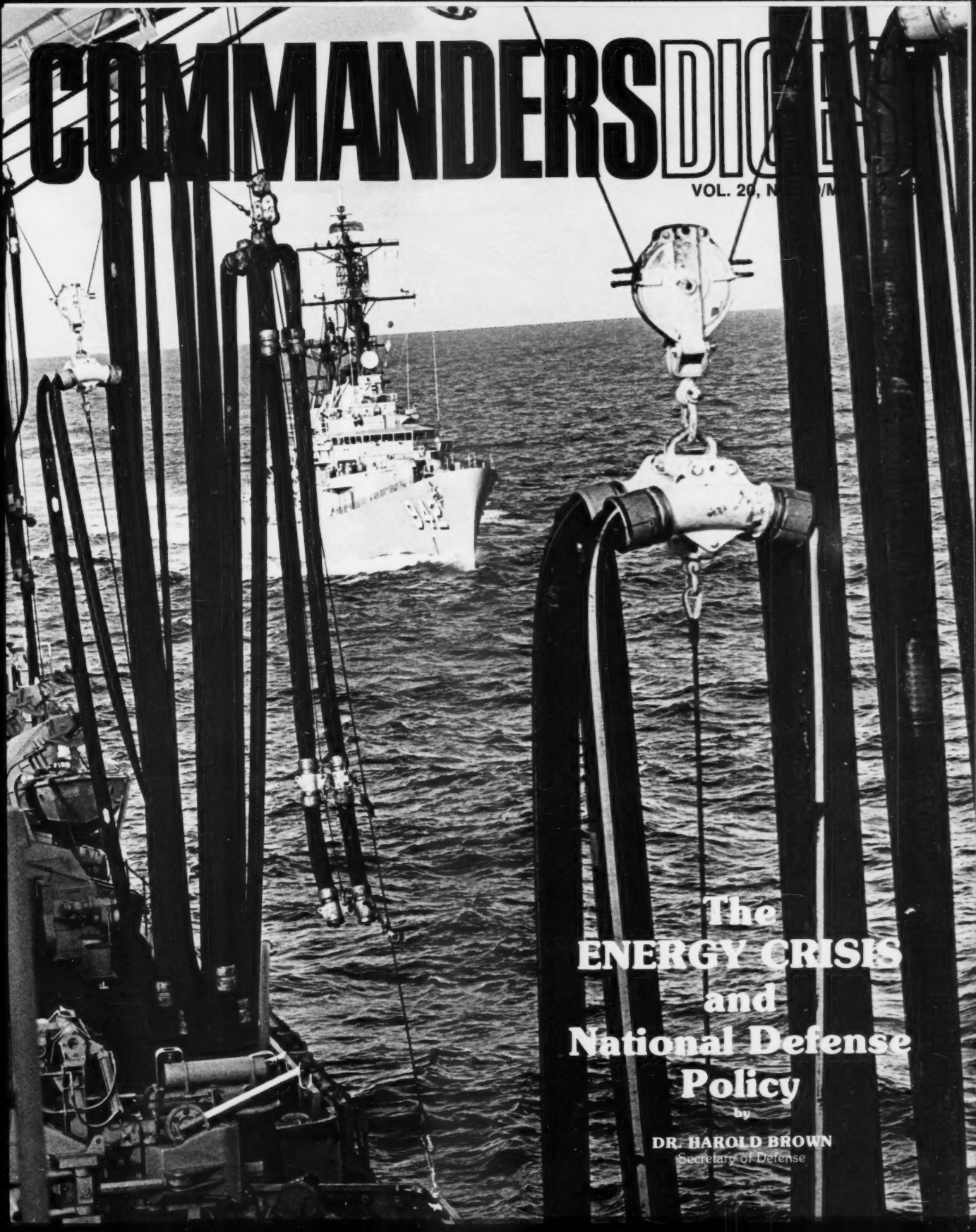


The ENERGY CRISIS and National Defense Policy

by

DR. HAROLD BROWN
Secretary of Defense

Aerial refueling is important in maintaining the United States defense posture.

The Impact of the ENERGY CRISIS on National Defense

by

DR. HAROLD BROWN
Secretary of Defense

There is no clearer or more serious threat to the long-term security of the United States and to its Allies than that which stems from the growing deficiency of secure and assured energy resources.

A high rate of energy consumption is the hallmark of industrialized societies as we know them today. Even with severe and mandatory conservation to reduce consumption this will continue to be so in the future. The standard of living that now exists in the more developed nations, and to which the developing nations of the world aspire, is a very recent phenomenon. It first appeared in the United States about 50 years ago, and in the other parts of the world where it exists at all, only since the end of World War II. At present it rests on fossil fuels. More specifically it is dependent on oil and natural

DEFENSE NEWS BRIEFS

First Quarter Recruiting Results

Statistics show overall Armed Forces recruiting during the first quarter of calendar year 1977 at 99.9 per cent of the strength objective and the number of high school graduates enlisting slightly higher than one year ago.

Active Military Strength
End of March 1977
(000s)

Service	Objective	Actual	Per Cent of Objective
Army	778	779	100.1
Navy	530	527	99.3
Marine Corps	189	189	100.0
Air Force	580	581	100.3
DoD Total	2,077	2,075	99.9

★★★★

NATO Women Confer

Senior Service Women Officers of the North Atlantic Treaty Organization met in Brussels, Belgium, May 2-6, to exchange information on conditions of service in NATO's armed forces. The top seven American women in uniform, six of them general or flag officers, represented the United States.

★★★★

TRIDENT Test Successful

Navy's new TRIDENT ballistic missile was successfully test-fired in late April from a pad at Cape Canaveral, Fla., with all three stages working. This was the fourth test and some 20 to 25 more pad launches are scheduled before submarine launches are to be tested sometime in the summer of 1979.

★★★★

Directive Merges Major Offices

Secretary of Defense Harold Brown signed two directives recently that merged three major defense offices into two.

Directive 5129.1 dated April 20, 1977 consolidates acquisition activities, formerly under Installations and Logistics, under the Director of Defense Research and Engineering.

Directive 5124.1, of April 20, 1977, reassigned all other Installations and Logistics functions to Manpower and Reserve Affairs, also involving a title change to Assistant Secretary of Defense (Manpower, Reserve Affairs and Logistics).

The position of Assistant Secretary of Defense (Installations and Logistics) was disestablished.

★★★★

Soviet Energy Weapon?

Senior officials of the Department of Defense do not believe that the Soviet Union has achieved a breakthrough in research which could soon provide a directed energy beam weapon capable of neutralizing ballistic missile weapons. Based on all information now available to the U.S. intelligence community, this possibility is considered remote, the officials said.

gas, which account for 75 per cent of U.S. energy consumption.

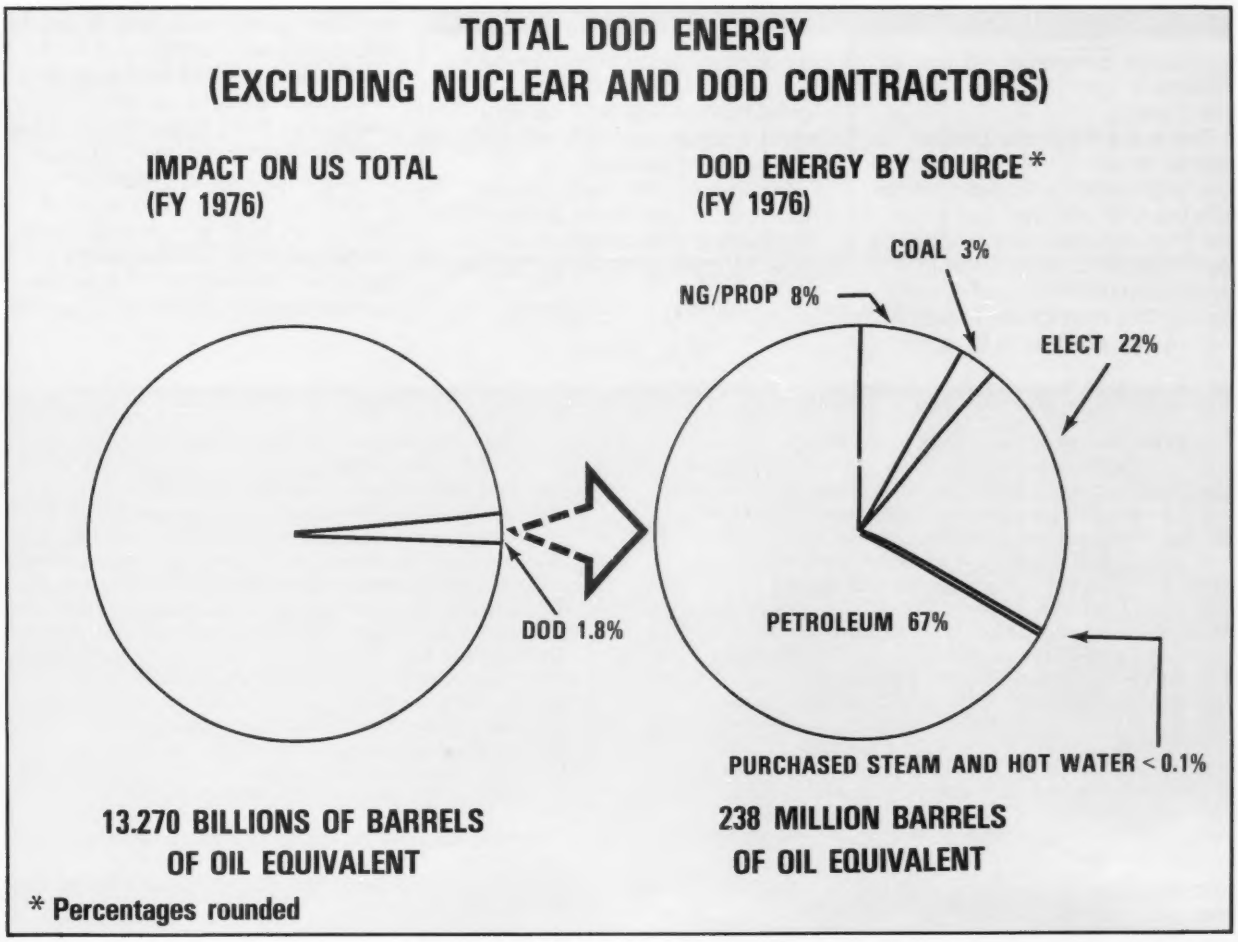
The enormous economic development which the world has seen in the twentieth century and particularly since World War II, including the phenomenal German and Japanese economic resurgence, has been almost entirely based on the fact that unrestricted and inexpensive energy was available from oil and natural gas, with oil by far predominant. It follows therefore that a cutoff or deep reduction of oil and gas supply would result in the destruction or at least the crippling of the advanced free-market economies within a relatively short span of time. In 1973–1974 the world had a very brief and very small sample of what an oil shortage can do. There is now, I believe, a general awareness of the fragile nature of the world's economic balance and its critical dependence on an unrestricted and expanding supply of oil. That awareness gives added credence to the potential for political, economic or military pressure on us by those who have, or are perceived to have, the ability to halt or at least substantially reduce the global distribution of oil. Steps which reduce this dependence—by conservation, substitution of coal, or development of new, renewable sources, are therefore vital. We are fortunate in the U.S. that such measures can substantially reduce our dependence on outside sources, if we take the necessary steps, to the point where we can accumulate a stockpile equal to six-months of imports. In the foreseeable future, our European and Japanese allies do not have such a prospect.

The threat to national security, the economy and our way of life which arises from the energy crisis is not yet fully recognized by all. Some

refuse to accept the fact that the energy crisis is real, and that its solution will require the development of a national policy and purpose commanding the dedication of the Nation, its resources and its people over many years. Ultimately, the only alternative is disaster.

We are all familiar with the continuing risk of oil supply interruptions and upward pressures on prices from politically motivated embargoes such as we experienced four years ago. Much less attention has been given to the potential for a much more serious interruption of oil supply by hostile forces in time of war. In the event of some future confrontation the Soviet Union might be able to restrict access of the Western world to its essential oil supplies to a degree of severity and duration greater than any embargo by the oil producers. The USSR might attempt to deny access to the oil of the Persian Gulf by direct attack on the facilities of the major oil loading ports which lie near to Soviet territory. Simultaneous action to interdict on the high seas tanker movement of oil from other exporting nations could vastly exacerbate the oil supply situation for the United States and its Allies.

The military, political and economic risks of oil interruption are very real, and are steadily increasing as dependence on imported oil continues to grow. We must do what we can to mitigate those risks during the years which must pass before the United States can again develop an acceptable degree of energy self-sufficiency. The potential adverse impacts on



national security can and must be eased by adoption of the President's energy proposals, particularly those concerning the reduction of oil import dependence through energy conservation, the encouragement of domestic oil and gas production, substitution of coal and nuclear energy for oil and gas in electricity generation, and the development of simply, resource depletion. A finite world supply of oil and gas will soon repeat the cycle so long evident in the United States. Growth in producible reserves will slow, halt and then go into decline as the remaining undiscovered resources grow smaller and the rate of discovery diminishes in the face of steadily increasing demand. The

"In the event of some future confrontation the Soviet Union might be able to restrict access of the Western world to its essential oil supplies to a degree of severity and duration greater than any embargo by the oil producers."

a strategic petroleum reserve as insurance against periods of supply interruption.

There is a third and greater energy threat to the Nation which has until recently received all too little popular attention, but which, as the President has said, should be the foremost consideration in development of national energy policy. The third threat is neither military nor political. It is, quite annual expansion in worldwide production which has been the foundation of twentieth century world economic growth will level off and begin to decline.

Arguments that much greater hydrocarbon reserves remain to be discovered miss the point. A growing consumption rate assures that even if so, they too will be quickly consumed. There is every indication that these turning points loom in the very near future. The time remaining to us to rectify the situation is very short. If the United States and the rest of the developed and developing world do not soon move strongly to reduce oil demand and increase supplies of energy from alternate sources, economic growth will cease also and the free-world economy will go into long-term stagnation and decline. The consequences for free world security are all too apparent.

The 1973 oil embargo and the world recession which it helped induce, arrested and indeed rolled back the growth in oil consumption for a brief two years. The free world was thus given more time to get its energy house in order—not by its own endeavors, but by the actions of the oil exporting nations. The pause was short. Driven by a 6.9 per cent increase in United States oil consumption, world crude oil production again rose sharply in 1976 to an all-time high of 57 million barrels per day. United States domestic demand, at 17.4 million barrels per day almost equalled the

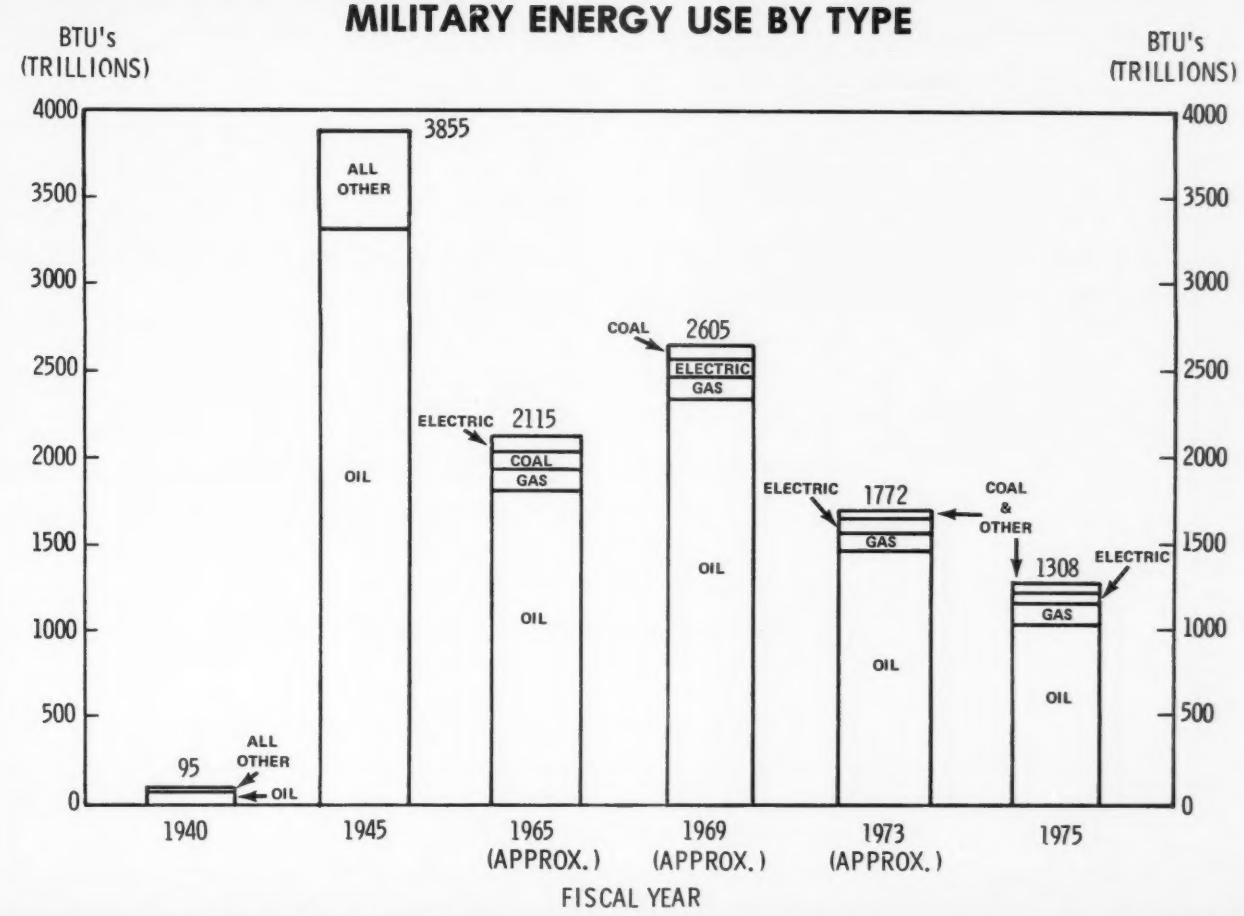
"We strongly support the President's goals of increasing the energy conservation in existing Federal buildings to achieve an overall reduction of 20 per cent by 1985 and to achieve a 45 per cent energy conservation in new Federal buildings. The Administration is currently preparing an Executive Order which will delineate the procedures to be followed by the Department of Defense and other Federal Agencies in achieving these goals. We feel the Executive Order approach is preferable to legislation and will achieve the same results."

—MORTIMER M. MARSHALL JR., *Director, Construction Standards and Design Directorate Office, Deputy Assistant Secretary of Defense for Installations and Logistics, before the Subcommittee on Public Buildings and Grounds, House Committee on Public Works and Transportation.*

"The Congress has consistently demonstrated its strong support for a viable and combat-ready Guard and Reserve Force which could be relied on to reinforce the Nation's active defense forces. Additionally, and most especially since 1972, when the Department of Defense developed a facilities acquisition plan to support the role assigned the Guard and Reserves under the Total Force Program, this Committee has repeatedly reaffirmed its support for the necessary expanded facilities programs to provide the base structure to adequately receive, maintain, store and deploy the many new and modern weapons with which the Guard and Reserve components are not being equipped."

—PERRY J. FLIAKAS, *Deputy Assistant Secretary of Defense (Installations and Housing), before the Subcommittee on Military Installations and Facilities, House Armed Services Committee, April 27, 1977.*

MILITARY ENERGY USE BY TYPE



"The Department of Defense shares and fully supports the view that, in transferring defense articles and services to foreign countries, we must exercise restraint while protecting the security interests of the United States. The challenge is to focus our policy concerns on those areas of arms sales which are most significant."

—LT. GEN. HOWARD M. FISH, *USAF, Director, Defense Security Assistance Agency, before the Subcommittee on International Security and Scientific Affairs of the House International Relations Committee, April 19, 1977.*

WHAT THEY ARE SAYING...

WHO'S NEWS IN DEFENSE

VAdm Patrick J. Hannifin, USN, has been transferred from the position of Director, J-5, Joint Chiefs of Staff, to Director, Joint Staff, Joint Chiefs of Staff.

Reassignments

Lt. Gen. Wilbur L. Creech, has been reassigned from commander, Electronic Systems Division, Air Force Systems Command, to assistant vice chief of staff, U.S. Air Force.

Maj.Gen. Arnold W. Braswell, USAF, will go from assistant chief of staff for Operations, Supreme Headquarters Allied Powers, Europe (SHAPE) to Dir. J-5, Joint Chiefs of Staff. He has been nominated for promotion to lieutenant general.

Retirements

The Army has announced the retirements from the military of **Gen. William E. DePuy,** commanding general, Army Training and Doctrine Command, and **Lt.Gen. Henry E. Emerson,** commanding general, XVIII Airborne Corps and Fort Bragg, N.C. Both generals will be retired in their present grade.

Admiral John P. Weinel, U.S. representative to the North Atlantic Treaty Organization, will be retired from the Navy on Aug. 1. The Navy also will retire from active duty **VAdm. Robert E. Adamson Jr.,** commander, Naval Surface Force, U.S. Atlantic Fleet. He is scheduled to retire on July 1. Both admirals will be retired in their present grade.

The Air Force has announced the retirements of two lieutenant generals. **Lt.Gen. Winton W. Marshall,** deputy commander-in-chief, United States Readiness Command, is slated to retire in his present grade on Sept. 1, and **Lt. Gen. Robert E. Hails,** deputy chief of staff, Systems and Logistics, Headquarters, U.S. Air Force, will be retired in his present grade on July 1.

consumption rate prevailing just before the embargo. Renewed economic growth here and abroad raises the probability that demand growth will again rise exponentially at near pre-embargo levels unless conservation efforts are maximized and shifts of energy demand to alternate fuels can be effected in accordance with the President's program.

Inevitably U.S. and allied needs for hydrocarbon imports constrain our foreign policy and create potential risks of confrontation and military conflict. DoD interest focuses primarily on maintaining the United States defense posture by avoiding disruptions or the threat of disruptions of energy supplies to the Armed Services and the industrial mobilization base. In the broader context of United States national security, DoD also wishes to avoid any policy which would adversely impact on United States allies and thereby indirectly weaken the United States. Furthermore, the Department of Defense is crucially aware of the prospect for the depletion of world liquid petroleum reserves and the need to begin now to conserve energy resources.

We in Defense believe that:

- The United States needs to minimize its dependence on Persian Gulf oil and develop alternative sources of supply preferably in the Western Hemisphere;
- The United States should secure a billion barrel petroleum stockpile as quickly as possible;
- The United States should develop alternative supplies of energy, both conventional and non-conventional to reduce demand on a depleting world oil resource base.

I believe there is comparatively little time for the United States to respond to the President's call and move towards reducing its dependence on imported oil. Failure to do so will impose increasing risks to our national security in the next few years and lead inexorably to the collapse of the world oil supply/demand balance in the next decade. Should that occur, the effects on security and economic viability of this Nation and the free world will be catastrophic.

"The military, political and economic risks of oil interruption are very real, and are steadily increasing. . . ."

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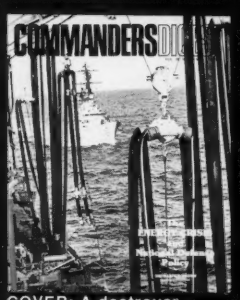

COVER: A destroyer comes alongside a support ship for fuel replenishment.

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